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Conceptualisation and Aspirations of Transformative Service Research

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ABSTRACT

This article conceptualises transformative service research and encourages service researchers to engage in research activities that promote human well-being. The authors advance a new research agenda that, unlike traditional service research, treats outcomes related to consumer well-being, including quality of life issues, as important, managerially relevant, and worthy of study. Both (i) services/service systems that already possess transformational qualities through their inherent design and are intended to enhance well-being (but in actuality may not do so) and (ii) other services/service systems that do not focus on transformational qualities but could enhance or unintentionally hurt well-being are worthy of additional research and study. Although transformative service research may be challenging, we argue that both consumers and the organizations that serve them may benefit from research that examines how services can and do improve or reduce the welfare of individuals, communities, nations, and the global ecosystem.

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Introduction

Improving human welfare becomes a bigger challenge by the day. Numerous factors contribute to rising concern about the well-being of individuals around the globe including financial crises, obesity, poverty, limited food supplies, scarce clean water, inadequate healthcare, global warming, terrorism, toxins in the environment, and natural disasters. Although services can and have contributed positively to consumer well-being in the context of these issues, service organizations have also been criticized for ignoring or even harming consumer well-being in a variety of ways including underserving communities in need, their top down and patronizing style of service delivery as well as, at times, their degrading policies of segmentation and targeting (Fisk 2009; Williams and Henderson 2011). For example, economic disparities in healthcare contribute to the reinforcement of the

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marginalization of already underprivileged consumers (Newman and Vidler 2006; Williams and Henderson 2011). Grocery chains are often reluctant to open establishments in lower-income areas, creating food deserts, essentially urban areas in which consumers lack access to affordable fruits, vegetables, whole grains, low-fat milk, and other foods that make up the full range of a healthful diet (Centers for Disease Control and Prevention 2010; Mitchell 2011). In retail environments in the United States, African American consumers may be victims of service degradation or denial associated with “shopping while black” (Harris, Henderson, and Williams 2005; O'Brien 2008). Similarly, ethnic small business owners may also be treated differently and given less access to needed funds from financial institutions (Bone, Williams, and Christensen 2010). Ultimately, there is significant need to properly serve the needs of “unserved and underserved” consumers (Fisk 2009, p.1) and to improve the welfare of communities, nations, and the global ecosystem.

Service research can play an important role in tackling questions that, at their core, seek to understand and improve the relationship among service systems (e.g., referring to a complex, integrated network of services such as an insurance network or, at a more macro level, healthcare and governmental services), individual service organizations and their employees, customers, and other stakeholders and well-being in ways that positively influence the future of individuals and collectives. To a considerable extent, service systems define the realities and norms in consumers' day-to-day lives and shape societal structures that bound individuals and communities (Anderson, Ostrom, and Bitner 2011; Edvardsson, Tronvoll, and Gruber 2011; Korsten and Seider 2010). Services' fundamental role is further evident in their significant share in the GDPs of developed countries, as well as their influence on societal outcomes such as public health and safety (Hill and Macan 1996; Ostrom et al. 2010). Moreover, the extensive use of resources required to deliver services, their political implications, and their pervasive role in citizens' lives make services an integral element for any effort for societal change (Adkins and Corus 2009; Anderson et al. 2011; Hill and Macan 1996).

Although services are a pervasive part of consumers' lives, the fact that consumers often co-produce service and are always in the position of creating value or co-creating value in collaboration with organizations and others highlights the role that consumers also play in their own well-being (Vargo and Lusch 2008). For consumers, part of value creation may include intangible benefits such as improved mental, social, or physical well-being. For example, by engaging in full disclosure with health care professionals, asking questions, and following prescribed medication dosages, health care customers help to maximize the value potential of the resources provided by health care organizations and their employees. Unfortunately, few service researchers and practitioners to date have contemplated customer well-being, including quality of life issues, and these types of outcomes.

The findings of service research focused on consumer well-being are likely to be important for both consumers and the organizations that serve them. This type of research may be able to improve organizations' bottom line by incorporating more focused attention on the ramifications of enhancing or unintentionally hurting consumer well-being. Although outcomes such as a customer's intention to repurchase from or to recommend a firm that are typically examined by service researchers remain worthy of exploration, so too are well-being related outcomes such as improved quality of life (Dagger and Sweeney 2006). Organizations that find ways to enhance well-being for consumers, including their own employees, or reduce unintended negative well-being outcomes may gain a happier, more productive workforce, a competitive advantage in the marketplace, and increased customer loyalty. Indeed, burgeoning service research suggests that customers may be willing to pay a price premium to service organizations that care about and support their well-being (Rosenbaum 2008). In addition, in some circumstances, organizations may be required to act due to new public policy legislation that is put into place to enhance consumer well-being.

Transformative Service Research Conceptualised

In light of these challenges and opportunities, we encourage service academics and practitioners to engage in transformative service research and activities. Transformative service research (TSR) focuses on improving consumer and societal welfare through service. It is inspired by transformative consumer research that seeks to “solve real problems” (Mick 2006, p. 1) of consumers by applying marketing techniques and tools to enhance the lives of individuals and communities. As a research paradigm, TSR is defined as “service research that centers on creating uplifting changes and improvements in the well-being of individuals (consumers and employees), families, social networks, communities, cities, nations, collectives, and ecosystems” (Anderson et al. 2011). Ultimately, TSR is a call for service research that relates to and advocates for personal and collective well-being of consumers and, more broadly, citizens and the entire global ecosystem. Whereas traditional service research often focuses on dependent measures such as customer satisfaction and loyalty and aims to understand factors that impact service firms’ profitability, TSR focuses on understanding the role that services and service customers themselves play in affecting consumer well-being. It builds on the notion of a transformative service economy that improves the relationships among social, economic, and environmental systems through respectful, collaborative, and sustainable interactions.

Toward a Transformative Research Agenda

TSR encourages researchers to explore such issues as social justice, consumer agency, and ecological stability and expands on contemporary concepts such as sustainability, green marketing, and the triple bottom line, emphasizing corporate responsibility for economic, social, and environmental outcomes of business practices (Ostrom et al. 2010). It also calls for the development of new measures of the effects of service on individuals and societies. The dynamic nature of services offers substantial transformative potential because of the direct and often dialogic interaction between the service provider and the consumer (Anderson et al. 2011). For example, TSR explores multifaceted outcomes, both positive and negative, of service interactions, including those that may be intentional and overt (e.g., physical health benefits from services at a clinic) as well as outcomes that may be unintended or overlooked by providers and consumers (e.g., the social capital provided to patients by other patients at a clinic, the physical and psychological effects of a clinic’s servicescape on patient health, or the negative health outcomes that may result from non-culturally sensitive recommendations from physicians). TSR challenges researchers to focus on mitigating consumer vulnerability and improving consumer agency because many consumers find themselves in a position of lesser knowledge and expertise during a service interaction (Adkins and Corus 2009; Anderson et al. 2011). Marginalized groups and disparities in the quality of services offered to different groups are particularly emphasized. Also of interest are the contexts and service environments that promote physical health and emotional and mental well-being (Jamner and Stokols 2001; Rosenbaum et al. 2007).

Although this call to action may appear daunting, most services have transformational potential that awaits discovery by researchers. That is, many services, such as healthcare and education, have an explicit transformative mission and intent. In most instances, researchers and practitioners involved in these services may easily begin considering well-being outcomes as relevant managerial goals, although the organizations might not always be successful in achieving them and may be unintentionally engaging in activities that reduce consumer well-being. However, other services in areas, such as retailing, hospitality, and entertainment, typically do not possess clear transformative goals. These services may impact well-being in positive ways that have not been anticipated. Likewise, they may also be harming consumer or societal well-being due to unintended consequences of, among other things, employee actions, service design, and/or organizational policies. For example,

Internet services may have had an unanticipated positive result of providing consumers with access to much more information than was previously available about other consumers' experiences with service providers as they make their own service choices. Subsequent services such as Yelp have capitalized on this positive and embraced result. In contrast, the location of retail food markets is usually based on segmentation, but might have the unintentional (although perhaps not unanticipated) result of food deserts in poorer neighbourhoods. In the sections below, we turn attention to discussing a TSR research agenda for both types of services, those that are transformational by design and those that have transformational potential.

Transformational Services by Design

There are numerous services that are designed with aspects of consumer well-being in mind, such as disaster relief services (Baker 2009), employee wellness programs (Berry, Mirabito, and Baun 2010), social services, and healthcare. Healthcare services have received the most attention with researchers in management, operations, and marketing focusing attention on this domain. However, there are still numerous issues to be addressed related to health services and the health service system as a whole (Berry and Bendapudi 2007). For example, researchers ironically know little about the role that service providers play in affecting health (either in positive or negative ways). These service providers might be explicitly tied to consumers' well-being and include health professionals, those involved with delivering social services, and volunteers and others who work for non-government organizations, who are integral to providing medical, psychological, and spiritual support to those living at the "bottom of the pyramid."

Services that have Transformational Potential

Although the aforementioned services clearly affect their customers' well-being, we argue that the majority of services that consumers experience as part of their daily routines also possess the ability to transform their customers' lives through consumption activities. For example, sociologists, human ecologists, environmental psychologists, gerontologists, and service researchers have a history of exploring how loosely connected social relationships that naturally form in settings, such as diners, fast-food restaurants, beauty shops, and bars, often transform human well-being by providing people with support in their time of need (Cowen 1982; Rosenbaum 2006). Thus, if researchers look beyond the commercial intent of many services, they may discover these services' transformational potential. Often, for-profit services are conceived and designed to maximize profits without explicitly considering potentially beneficial or deleterious effects on individual and/or societal well-being. Similarly, Sherry (2000) maintains that researchers have viewed places and exchanges as inert and homogeneous. Consequently, he argues that marketers have not been attentive enough to the rituals that consumers (or designers) employ to vivify consumption settings. For example, a ritual of reading the New York Times from start to finish at a local coffee shop each Sunday may endow the place with a sense of home, community, and intellectual sophistication. Thus, researchers need to explore not only the financial and economic impact of services (see Zeithaml, Bitner, and Gremler 2009), but also the subjective sense of well-being that services often confer on individuals, social groups, and communities.

Transforming Society

Although the well-being of individuals plays a central role when considering transformative service, we emphasize that transformative service research and its implications are hardly limited to individual issues and outcomes. Consumers' individual actions, along with firms' policies, often have communal outcomes. For example, increased consumer agency may have consequences beyond better personal health at the macro level. This increased agency may result in better community access to health services, competition between health care

institutions, and even revisions of organizational policies (Newman and Vidler 2006). Similarly, higher consumer financial literacy might not only enhance personal financial decisions but also improve distributive justice in a community or a nation. Moreover, consumer experiences are influenced not only at a micro level by their own agency but also at a macro level by the socioeconomic context and larger structural forces (Giddens 1984, 1990). TSR should investigate both individual and collective level issues and include analyses of micro and macro outcomes of services on consumer welfare. Indeed, recent transformative studies have begun focusing on collective service outcomes by exploring the collaboration between service providers and underprivileged communities (Ozanne and Anderson 2010). Collaboration between service researchers and those in more macro-focused disciplines, such as sociology and public health, may facilitate work examining macro level outcomes and implications of the service economy. Important research could also examine instances when individual well-being goals conflict with societal well-being, such as when an airline traveller protests federal security mandates or individuals refute public health initiatives towards safe health practices. TSR could investigate how well-being among different levels and among different groups of consumers should be prioritized.

Overall, TSR represents a new area in both consumer and service research that can contribute to understanding and minimizing the challenging problems facing today's society. By formalizing this area, we hope that it will be a catalyst for additional service research focused on these important and understudied issues related to consumer well-being.

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